



# Sports: Keeping Things on Track



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*“A **sport** pertains to any form of competitive physical activity or game that aims to use, maintain or improve physical ability and skills while providing enjoyment to participants and, in some cases, entertainment to spectators”.*

- There are many reasons why people love sports — they are fun, exciting, healthy, unpredictable, and they make us feel alive. But for sports executives, the most profitable sports leagues are primarily a profitable business.
- Today, sports have become one of the most lucrative parts of the entertainment industry, earning billions of dollars from various sources.
- Sports leagues and sports teams profit from sponsorships, ticket revenues, transfers of team players, stadium rentals for events or other uses, broadcasting deals, merchandise, and much more.

## *Included in this memo are...*

- *Statistics on the size of the sports industry in various markets*
- *An overview of how sporting organizations make their money*
- *The top 10 most profitable sports leagues in the world*
- *Careers in sports*
- *How sporting events are organized*



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## Stats on Sports cont'd

### Sports & Recreation Industry Statistics and Market Size Overview

	Amount	Units	Year/Season	Source
Estimated Size of the Entire Sports Industry, U.S.	539.7	Bil. US\$	2018	PRE
Estimated Size of the Global Sports Industry	1.3	Tril. US\$	2018	PRE
Annual Company Spending for Sports Advertising, U.S.	38.8	Bil. US\$	2018	PRE

- In 2018, the North American sports market had a value of about 71.06 billion U.S. dollars. This figure is expected to rise to 83.1 billion by 2023.
- The market is divided into four main segments: media rights, gate receipts (ticket sales for live sporting events), sponsorship, and merchandising.
- With more than 71 billion U.S. dollars in revenue in 2018, the North American sports market is one of the largest in the world.

### Where does the money come from? - Revenue Breakdown (North America)

- **Media rights market:** The largest revenue stream in the US sports market is the media rights market, where revenue is generated from fees paid by radio, television or internet broadcasters to distribute sporting events - generating 20.14 billion US dollars in 2018.
- **Gate receipts:** Globally and in the US, “gate receipts” represent one of the largest revenue segments in the sports market. For 2018, some 19.2 billion US dollars in revenue were generated through ticket sales alone in North America.



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## Where does the money come from?

### *Revenue Breakdown (North America) Cont'd*

- **The Sponsorship sector:** This includes revenues generated by payments from companies to have their products associated with an event, a team or a league, with an estimated 17.17 billion US dollars in revenue in 2018. Projections are as high as 20.65 billion by 2023.
- **The Merchandising sector:** This includes everything from team jerseys to branded sports equipment, with projected revenues over 15.4 billion US dollars in 2023.

## 10 Most Profitable Sports Leagues in the World (AP Sports Editors, June 2020)

1. National Football League (NFL) — \$13 Billion
2. Major League Baseball (MLB) — \$10 Billion
3. National Basketball Association (NBA) — \$7.4 Billion
4. Indian Premier League (Cricket) — \$6.3 Billion
5. English Premier League (Football) — \$5.3 Billion
6. National Hockey League (NHL) — \$4.43 Billion
7. Australian Rules Football — \$2.5 Billion
8. La Liga (Spanish Football League) — \$2.2 Billion
9. Serie A (Italian Football League) — \$1.9 Billion
10. Ligue 1 (France/Monaco Football League) — \$1.5 Billion



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## Careers in Sports - *Some important roles in sports*

**1. Athlete** - The sportsman/ sportswoman who competes and participates in the sporting game or activity. They would have an employment contract with a sporting organisation and receive a regular wage and may earn money through prize money or sponsorship deals.

**2. Sports Coach/ Instructor** - The coach usually trains people (the athletes) and team members in a particular sport. A requirement is a good level of ability or understanding in that sport and qualifications from relevant sports bodies.

**3. Sports Development Officer** - This person helps run initiatives aimed at encouraging people to get involved in the sport. Tasks could include for example, finding and applying for sources of funding, keeping track of budgets, managing sports coaches and volunteers, planning, organising and promoting the initiatives through social media, etc.

**4. Sports Lawyer** - A sports lawyer advises their clients on the legal aspects of the sport, and may also represent them in court. Their work can cover commercial agreements (for example, regarding sponsorship and advertising), broadcasting rights for sporting events, employment contracts, transfers, injuries, sports regulation and disciplinary matters.

Two types include: Barristers (who frequently speak in court and provide advice to solicitors and specialist areas), and Solicitors (who provide lots of advice directly to clients).



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**Careers in Sports** - *Some important roles in sports cont'd*

**5. Sports physiotherapist** - This person works with athletes (professional and amateur) to help them overcome and prevent injuries. For example, they may assess an injury, develop a treatment plan and deliver it, such as by manual therapy via massages, hydrotherapy or setting exercises. Some are usually employed by sports clubs.

**6. Sports Journalist** - These journalists work for newspapers, websites, TV stations, radio stations or a combination of these and report on different sporting events, games, clubs and athletes.

**7. Sports photographer** - Media outlets need strong images to accompany stories, so the photographer would work for a publication or as a freelancer and take pictures at the games.

**8. Sports Marketing, PR, Communications and Social Media** - These roles involve promoting the sport or organisations through a variety of media. They produce content, articles, videos, press releases, statements, coverage, etc, through various media channels and social media on sports clubs, organisations, athletes, games and more.

Sports teams are usually owned by billionaires who invest huge amounts of money into new players, new stadiums, arenas, and brand management. These are actually profitable investments that pay off quickly.

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## Sports Structure Cont'd - Charts

### Sport Management Diagram

Outlined below is a diagram that displays the organisation of a sporting event and all the elements that are involved into the execution of a sporting event.





# RESOURCES



**Christopher Williams** - Co-founder & CEO, PROVEN

- Chairman, Professional Football Jamaica Ltd.
- Email: [cwilliams@weareproven.com](mailto:cwilliams@weareproven.com)

**Jaheel Hyde** - Jamaican Olympian

- World Youth Champion, World Junior Champion, Youth Olympic Champion, Olympian
- Email: [jaheelhyde31@gmail.com](mailto:jaheelhyde31@gmail.com)

**Jerry Benzwick**- Chairman, Jamaican Rugby Football Union

- Email: [chairman@jamaicarugby.org](mailto:chairman@jamaicarugby.org)

**Links:**

**Sports - Definition and details**

- [Sport - Wikipediaen.wikipedia.org › wiki › Sport](https://en.wikipedia.org/wiki/Sport)

**Statista: North America Sports Market Size from 2009 to 2023 in billion US dollars**

- <https://www.statista.com/statistics/214960/revenue-of-the-north-american-sports-market/>

**11 Most Profitable Sports Leagues**

- <https://apsportseditors.org/others/most-profitable-sports-leagues/>

**Sports Industry Statistic and Market Size Overview, Business & Industry Statistics**

- <https://www.plunkettresearch.com/statistics/Industry-Statistics-Sports-Industry-Statistic-and-Market-Size-Overview/>

**Value & Benefit of the Sports Industry**

- <https://www.uwi.edu/uop/sites/uop/files/Value%20and%20benefits%20of%20the%20Sport%20Industry.pdf>

**Careers in Sports**

- <https://targetcareers.co.uk/careers-advice/choosing-your-career/1034364-careers-in-sports>